



DEPARTMENT OF ADMINISTRATION
VICTIMS OF CRIME PROGRAM

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July 12, 2011

To: Jeff Mohlenkamp, Clerk
Board of Examiners

From: Bryan Nix, Coordinator
Victims of Crime Program

Re: VOCP 4th Quarter FY 2011 Report, and 1st Quarter FY 2012
Recommendation

NRS 217.260 requires the Board of Examiners to estimate available revenue and anticipated claim costs each quarter. The VOCP pays claims in accordance with the rules and regulations adopted by the Board pursuant to NRS 217.130. NRS 217.260 requires that (a) Claims be categorized as to their priority; and (b) Claims categorized as the highest priority be paid, in whole or in part, before other claims.

BOE Policies for the VOCP provide for payment of Priority One and Two claims during the quarter, and for payment of accrued Priority Three claims at the end of each quarter. Priority One and Two claims are bills for current medical treatment, lost wages, funeral expenses, counseling, etc. Priority Three claims are bills the applicant owed prior to claim acceptance such as hospital emergency room and related bills. The VOCP pays the "approved" amount, which is the amount approved for payment after bill review and application of fee schedules or other payment adjustments pursuant to BOE policies.

The VOCP paid all Priority One and Two, and Priority Three claims at 100% of their approved amount for all of FY 2011.

Claim Payments Made Year to Date Fiscal Year 2011

The following chart shows claim payments made year to date in FY 2011, by benefit type. As this chart shows the VOCP has satisfied **\$28,008,036.67** in victim medical bills and claims for **\$7,412,602.05** of available funding. After bill review and application of

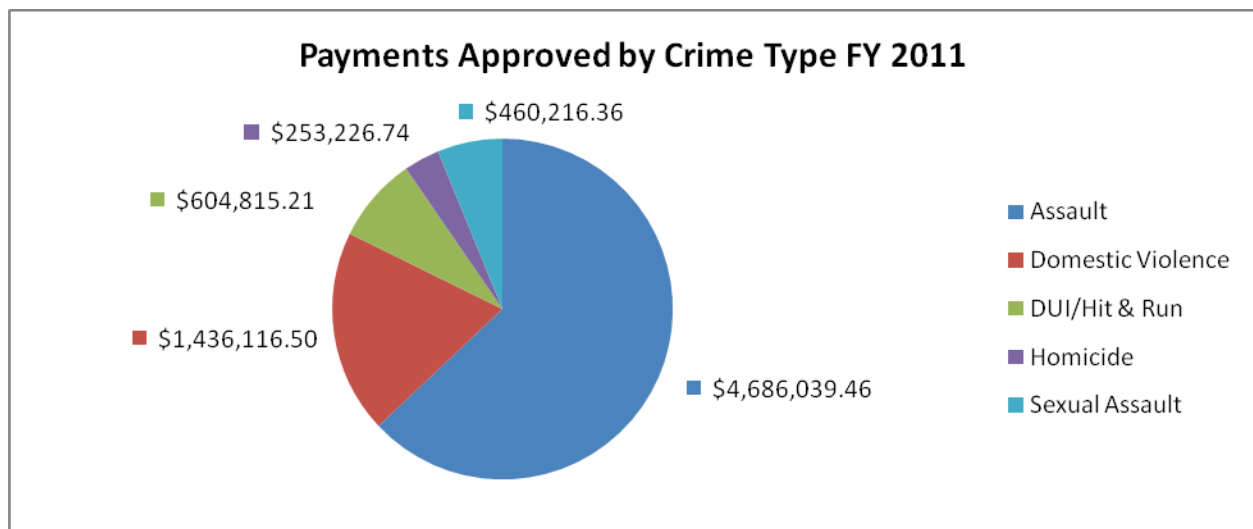
BOE Policies we had a total savings of **\$20,595,434.62** over the billed amount in fiscal year 2011.

Payment Amounts by Type Fiscal Year 2011				
Type of Expense	Number of Bills	Total Victim Bills Submitted	Amount Saved by Bill Review	Amount Paid to Providers
Chiropractic	435	151,550.55	41,405.50	110,145.05
Counseling	3236	723,414.80	143,162.23	580,252.57
Survivor Benefits	13	20,022.80	0.00	20,022.80
Dental	325	1,066,434.42	343,603.07	722,831.35
Discretionary*	314	316,357.23	1,090.00	315,267.23
Funeral Expense	97	237,686.51	706.10	236,980.41
Lost Wages	435	370,760.80	0.00	370,760.80
Medical - Hospital	1272	14,916,238.87	13,114,980.33	1,801,258.54
Medical - Other	3488	3,350,287.56	1,297,673.09	2,052,614.47
Prescription	797	127,697.35	7,992.29	119,705.06
Physical Therapy	263	119,153.95	36,165.02	82,988.93
Vision	185	98,484.73	14,869.39	83,615.34
Pending Priority Three Payments 4th Quarter 2011	633	6,509,947.10	5,593,787.60	916,159.50
Total Payments FY2011	11493	\$28,008,036.67	\$20,595,434.62	\$7,412,602.05
*Discretionary payments include: Relocations, Temporary Housing, Crime Scene Clean-up, etc.				

** There are **\$6,509,947.10** in pending Priority Three Claims (hospital bills, etc), which will be paid for **\$916,159.50**, which is 100% of the approved amount at the end of the 4th quarter FY 2011 as provided for by VOCP policies.

Victim Payments by Crime Type Fiscal Year 2011

The following pie chart shows amounts approved for payment by crime type, during Fiscal Year 2011.



Financial Review Fiscal Year 2011

The following chart shows projected revenues and fund balances, including reserves for FY 2011, and recommendations for 4th quarter FY 2011 based on projections. These projections of revenue and anticipated expenses are used for purposes of determining compliance with NRS 217.260 and policies of the BOE adopted pursuant to NRS 217.130 and NRS 217.150.

Financial Position and First Quarter 2012 Projections	
Projected Funds Available for Payments FY11 Less 45 Day Reserves	\$7,698,878.30
1st Quarter FY11 Claim Payments	\$1,786,827.99
2nd Quarter FY11 Claim Payments	\$1,975,702.32
3rd Quarter FY11 Claim Payments	\$1,824,587.25
4th Quarter Priority 1 & 2 Payments	\$909,324.99
4th Quarter Priority 3 Payments	\$916,159.50
Total 4th Quarter Claim Payments	\$1,825,484.49
Reserves Available for FY12 Claims	\$286,276.25
Projected Funds Available for FY12 Less 45 Day Reserves	\$7,855,635.63
Projected Funds Available for 1st Quarter FY12 Claims	\$1,963,908.91
Projected Payments 1st Quarter FY12*	\$1,873,727.56
Projected Quarterly Funds Remaining After Payments - Add to Reserves	\$90,181.35
Recommended Priority 3 Payment Percentage 1st Quarter FY12	100%
*Average of last 6 quarterly periods.	

In February 2010, the VOCP was required to establish a 30-day operating expense reserve out of FY 2010 revenues, to ensure we had sufficient operating capital in the event of a disruption in our funding. In January 2011, we were asked to increase that reserve to a 45-day operating expense reserve. Reserves of \$1,135,296.62 are now being maintained to cover the required 45 days of victim's claims and administrative expenses.

As expected, revenues have been reduced due to the economic downturn. In 2010 overall revenues were \$1.2 million below projections. That trend continued in 2011, with overall revenues coming in \$400,000 below budgeted authority levels. The VOCP has seen significant decreases in revenue from Fines, Restitution, Wage Assessment, Court Assessment and Treasurers interest.

Fortunately the federal grant is significantly higher than last year. This year's federal grant is \$2,971,000, which is \$820,000.00 higher than last years grant of \$2,151,000. This increase of \$820,000.00 essentially covered 72% of the reserves being set aside by the VOCP.

Our current financial review shows that we have sufficient funding to cover 4th quarter Priority Three payments at 100%, and we are projecting sufficient funds to continue paying at 100% in the first quarter of Fiscal Year 2012.

VOCP Recommendation

There are projected 1st quarter priority one and two payments totaling **\$940,967.13** and projected priority three payments totaling **\$932,760.43**, for a total expense of **\$1,873,727.56**.

After reserving **\$1,135,296.62** for 45 days operating expenses, our budget shows VOCP revenues available for 1st quarter total **\$1,963,908.91**.

Therefore; based on current projections, pursuant to NRS 217.260 and policies of the BOE, the VOCP recommends paying Priority One and Two claims at **100%**, and Priority Three claims at **100%** of the approved amount for the 1st quarter of FY 2012.